

LIMITED DISTRIBUTION

IAC-D-77/4  
3 December 1954

~~SECRET~~

MEMORANDUM FOR THE INTELLIGENCE ADVISORY COMMITTEE

SUBJECT: Special Budget Analysis - FY 1956

1. At the IAC Meeting of 21 September 1954 (~~IAC M-170~~) there were circulated copies of a letter dated 3 September 1954 from Mr. Rowland Hughes, Director of the Budget, requesting the IAC to me "compile a special budget analysis summarizing by member agency the 1956 budget estimates for those overt intelligence collection activities which are the direct responsibilities of the officers comprising the (~~IAC-M-170~~) Committee." At the following meeting, on 5 October, (~~IAC-M-171~~) it was decided to send an interim reply to the Director of the Budget proposing that a committee meet with Mr. Macy, as suggested by Mr. Hughes, for further clarification. <sup>of the request.</sup> (~~IAC-M-171~~) This letter was forwarded on 9 October (IAC-D-77/3) and the following working group, under the chairmanship of Colonel Lawrence K. White of CIA, was named:

State: Mr. Killea  
G-2: Colonel Gretser  
ONI: Captain Stuart  
AF: Major La Vigne

2. There is attached for the review and approval of the members of the IAC a copy of the special budget analysis prepared in response to this request. This report has been informally discussed with a representative of the Bureau of the Budget. In view of the timing

IAC-D-77/4  
3 December 1954

**SECRET**

IAC-D-77/4

3 December 1954

involved, he stated that the report in its present form would satisfactorily serve the purposes for which it was requested this year.

3. Only one copy of this report is being sent to each of the IAC agencies since it is desired to limit the distribution of these budget figures on a need-to-know basis.

4. The Bureau of the Budget has expressed the desire to receive this report as soon as possible. It will be appreciated, therefore, if you will give it your earliest consideration, and communicate your concurrence or non-concurrence in the report to the Secretariat (Code 143, extension 3408) by noon, Friday, 10 December 1954.

5. Questions regarding the report may be referred to the Secretariat.

25X1A

  
Secretary

- 2 -

IAC-D-77/4  
3 December 1954

**SECRET**